

**CALIFORNIA DEPARTMENT OF HUMAN RESOURCES
SUMMARY OF COLLECTIVE BARGAINING AGREEMENT
FOR BARGAINING UNIT 13**

**Exclusive Employee Representative:
International Union of Operating Engineers (IUOE), Locals 39 and 501**

Number of Employees: Approximately 978 full-time equivalents

General Provisions:

I. Health Benefits

Employer Contribution for Active State Employees

- The state's monthly benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. For each employee with enrolled family members, the employer shall continue to contribute an additional flat dollar amount equal to 80 percent of the weighted average of the additional premiums. The flat dollar amounts shall be adjusted as appropriate pursuant to the formulas on the first day of the pay period following ratification, January 1, 2018, and January 1, 2019.

Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2017, will receive an employer contribution for retiree health benefits based on an "80/80" formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest basic health benefit plans based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest Medicare health benefit plans based on state retiree enrollment.

Prefunding of Other Post-Employment Benefits

- The state and Bargaining Unit (Unit) 13 members will prefund retiree healthcare with the goal of reaching 50 percent cost sharing of actuarially determined total normal cost for employer and employees by July 1, 2019. The state and employees will each make the following contributions:
 1. Effective July 1, 2017, 1.3 percent of pensionable compensation.
 2. Effective July 1, 2018, an additional 1.3 percent for a total of 2.6 percent of pensionable compensation.

3. Effective July 1, 2019, an additional 1.3 percent for a total of 3.9 percent of pensionable compensation.

Post-Employment Health and Dental Vesting Schedule

- All employees first employed by the state on or after January 1, 2017, will be subject to an extended vesting schedule providing 50 percent of the employer contribution upon completion of 15 years of state service, increasing 5 percent for each additional year of service, until the employee is 100 percent vested at 25 years of state service.

Medicare Part B Supplemental Benefit

- All employees first hired on or after January 1, 2017, will no longer be eligible to use the employer contribution for a retiree health benefit plan for Medicare Part B premiums.

II. Compensation

General Salary Increase (GSI)

- Effective November 1, 2016, Unit 13 employees shall receive a 3 percent (3%) GSI.
- Effective July 1, 2017, Unit 13 employees shall receive a 3 percent (3%) GSI.
- Effective July 1, 2018, Unit 13 employees shall receive a 2 percent (2%) GSI.

Special Salary Adjustment (SSA)

- Effective November 1, 2016, Unit 13 employees in the water operator and stationary engineer classifications shall receive a 2 percent (2%) SSA.
- Effective July 1, 2017, Unit 13 employees in the water operator and stationary engineer classifications shall receive a 2 percent (2%) SSA.
- Effective July 1, 2018, Unit 13 employees in the water operator and stationary engineer classifications shall receive a 2 percent (2%) SSA.

III. Miscellaneous

- Effective May 1, 2017, and depending on the availability of departmental funds, the amount of leave that can be cashed out each year shall increase from 20 hours to 80 hours (Article 9.17).
- Incorporates the Wounded Warriors Transitional Leave Act (Chap. 794, Stat. of 2015), which provides up to 96 hours of additional sick leave for an employee hired on or after January 1, 2016, who is a military veteran with a service-connected disability rated 30 percent (New Article).

- Removes the requirement that a new employee must work two years before receiving the full employer health contribution for dependents (Article 10.1).
- Effective the first day of the pay period following ratification, the lodging reimbursement rate shall increase from \$90 to \$110 for Marin County, from \$125 to \$140 for Alameda, San Mateo, and Santa Clara Counties, and from \$150 to \$250 for San Francisco (Article 15.1).
- Effective the first day of the pay period following ratification, increases the Overtime Meal Allowance from \$6 to \$8 for employees that work for the Department of Transportation and the Department of Corrections and Rehabilitation (Article 15.2).
- Prohibits the implementation of a furlough program or a mandatory Personal Leave Program during the first year of the agreement (Article 18.2).

IV. Duration

- July 2, 2016 through June 30, 2019

V. Fiscal

- Fiscal Year 2016-17: \$3.2 million (\$2.2 million General Fund)
- Total Incremental: \$17.7 million (\$12.3 million General Fund)
- Total Budgetary: \$48.5 million (\$33.6 million General Fund)

VI. Agreement

- The complete Tentative Agreement between the state and IUOE is posted at: <http://www.calhr.ca.gov/state-hr-professionals/Pages/bargaining-contracts.aspx>